

west virginia department of environmental protection

Office of Oil and Gas 601 57th Street SE Charleston, WV 25304 (304) 926-0450 (304) 926-0452 fax Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

November 08, 2013

WELL WORK PERMIT

Vertical Well

This permit, API Well Number: 47-10302967, issued to DIVERSIFIED RESOURCES, INC., is evidence of permission granted to perform the specified well work at the location described on the attached pages and located on the attached plat, subject to the provisions of Chapter 22 of the West Virginia Code of 1931, as amended, and all rules and regulations promulgated thereunder, and to all conditions and provisions outlined in the pages attached hereto. Notification shall be given by the operator to the Oil and Gas Inspector at least 24 hours prior to the construction of roads, locations, and/or pits for any permitted work. In addition, the well operator shall notify the same inspector 24 hours before any actual well work is commenced and prior to running and cementing casing. Spills or emergency discharges must be promptly reported by the operator to 1-800-642-3074 and to the Oil and Gas inspector.

Please be advised that form WR-35, Well Operators Report of Well Work is to be submitted to this office within 90 days completion of permitted well work, as should form WR-34 Discharge Monitoring Report within 30 days of discharge of pits, if applicable. Failure to abide by all statutory and regulatory provisions governing all duties and operations hereunder may result in suspension or revocation of this permit and, in addition, may result in civil and/or criminal penalties being imposed upon the operators.

In addition to the applicable requirements of this permit, and the statutes and rules governing oil and gas activity in WV, this permit may contain specific conditions which must be followed. Permit conditions are attached to this cover letter.

Per 35CSR-4-5.2.g this permit will expire in two (2) years from the issue date unless permitted well work is commenced. If there are any questions, please feel free to contact me at (304) 926-0499 ext. 1654.

James Martin

Chief

Operator's Well No: D-188

Farm Name: WV DEPT. OF NATURAL RESOUL

API Well Number: 47-10302967 Permit Type: Vertical Well

Date Issued: 11/08/2013

Promoting a healthy environment.

PERMIT CONDITIONS

West Virginia Code § 22-6-11 allows the Office of Oil and Gas to place specific conditions upon this permit. Permit conditions have the same effect as law. Failure to adhere to the specified permit conditions may result in enforcement action.

CONDITIONS

- 1. If the operator encounters an unanticipated void, or an anticipated void at an unanticipated depth, the operator shall notify the inspector within 24 hours. Modifications to the casing program may be necessary to comply with W. Va. Code § 22-6-20, which requires drilling to a minimum depth of thirty feet below the bottom of the void, and installing a minimum of twenty (20) feet of casing. Under no circumstance should the operator drill more than fifty (50) feet below the bottom of the void or install less than twenty (20) feet of casing below the bottom of the void.
- 2. Pursuant to 35 CSR § 4-19.1.a, at the request of the surface owner all water wells or springs within 1000 feet of the proposed well that are actually utilized for human consumption, domestic animals or other general use shall be sampled and analyzed.
- 3. Pursuant to 35 CSR § 4-19.1.c, if the operator is unable to sample and analyze any water well or spring within one thousand (1,000) feet of the permitted well location, the Office of Oil and Gas requires the operator to sample, at a minimum, one water well or spring located between one thousand (1,000) feet and two thousand (2,000) feet of the permitted well location.
- 4. All pits must be lined with a minimum of 20 mil thickness synthetic liner.
- 5. In the event of an accident or explosion causing loss of life or serious personal injury in or about the well or while working on the well, the well operator or its contractor shall give notice, stating the particulars of the accident or explosion, to the oil and gas inspector and the Chief within twenty-four (24) hours.
- 6. During the surface casing and cementing process, in the event cement does not return to the surface, or any other casing string that is permitted to circulate cement to the surface and does not return to the surface, the oil and gas inspector shall be notified within twenty-four (24) hours.
- 7. Well work activities shall not constitute a hazard to the safety of persons.
- 8. If well work related activities require the use of water obtained by withdrawals from waters of this state in amounts that exceed two hundred ten thousand gallons during any thirty day period, the operator is required to consult, and adhere to, the guidance provided by DEP's Water Withdrawal Guidance Tool prior to any water withdrawals.

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS WELL WORK PERMIT APPLICATION

					10)	0	5
1) Well Operato	r: Diver	sified Res	sources, Inc.	305996	Wetzel	Grant	Folsom
				Operator ID	County	District	Quadrangle
2) Operator's W	ell Numl	oer: <u>D-188</u>			3) Elevation:	1477.87	_
4) Well Type: (a) Oil <u>×</u>	or Ga	s <u>x</u>				
(b) If Gas:	Produ	ction <u>×</u> / Und	derground Sto	rage		
		Deep)/ S	Shallow <u>×</u>			
5) Proposed Tar 6) Proposed Tor 7) Approximate 8) Approximate	tal Depth fresh wa	n: ^{3650'} iter strata	Feet depths: 90'	Formation at F	Proposed Tar Proposed Tota	get Depth: _Bay	3650' /ard
9) Approximate	coal sea	m depths	s: <u>180'</u>				_
10) Approximate	e void de	epths,(coa	al, Karst, other):	n/a			<u></u>
11) Does land c	ontain c	nal seam	s tributary to act	tive mine? n	/a		
12) Describe pro	posed we	ell work ar	nd fracturing meth	nods in detail (a	ittach additiona	al sheets if ne	eeded)
Orill and Stimulate r	new produ	iction					
13)	0.110	CA	SING AND TUI	BING PROGR	ΔM		Dny
•	PECIFIC	ATIONS		FOOTAGE	INTERVALS	CEME	1.0
	<u>Size</u>	<u>Grade</u>	Weight per ft	For Drilling	Left in Well	Fill -up (Cu	<u>u. Ft.)</u>
Conductor				7.1	700		
Fresh Water	95/8	ERW		168	168	CTS-9) sks
Coal							
Intermediate	7	ERW		1500'	1500'	CTS 24	0 sks
Production	41/2	ERW		3650'	3650'	225 s	sks
Tubing				B	ECEIVED		
Liners				Office	of Oil and G	as	
Packers: Kind				0	CT 112013		
Size				\A/\/ 1	Vanorimoni	OÍ	
Dept	hs Set				Department mental Prote		

WW-2A (Rev. 6-07)



Date: August 22, 2013
 Operator's Well Number D-188

State

County F

3.) API Well No.:

47-

103

Permit 02967

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION, OFFICE OF OIL AND GAS NOTICE AND APPLICATION FOR A WELL WORK PERMIT

4)	(a) Name	ner(s) to be served State of WV Capital Compl		5) (a) Coal Operator Name
	Address	Bldg #3 Room 643		Address
	(la) Niama	Charleston, WV 25305		(b) Cool Owner(e) with Declaration
	(b) Name			(b) Coal Owner(s) with Declaration
	Address			Name
		9		Address
	(c) Name			Name
	Address			Address
		-		
	nspector	Derek Haught		(c) Coal Lessee with Declaration
	Address	PO Box 85		Name
		Smithville, WV 26178		Address
	Telephone	304-477-4148		
				MED ABOVE TAKE NOTICE THAT:
	Included is the	e lease or leases or	other continuing	contract or contracts by which I hold the right to extract oil and gas
<u>OR</u>		wa.		
×				Article 6, Section 8(d) of the Code of West Virginia (see page 2)
ann				of the <u>West Virginia Code</u> I have served copies of this notice and ents pages 1 through on the above named parties by:
app	- 10		ce (Affidavit attac	
				ral receipt attached)
			tice of Publication	
	I have rea			d 35 CSR 4, and I agree to the terms and conditions of any permit
issu	ued under this			
				onally examined and am familiar with the information submitted on
				ased on my inquiry of those individuals immediately responsible for
obta				is true, accurate and complete. for submitting false information, including the possibility of fine and
imn	risonment.	e that there are sign	illicant penalties	Tot submitting raise information, including the possibility of fine and
	Tiooninioni.		Well Operator	Diversified Resources Ing
			By:	
			Its:	President
			Address	POBox 381087
				Birmingham, AL 35238
		worn before me this	Telephone	205-408-0909
Sub	oscribed and s	worn before me this	day of	<u> 2015</u>
	Amo	(supple)	Donne	CLOUL Notary Public
Му	Commission E	expires 3	31/15	RECEIVED
Oil a	nd Gas Privacy N	lotice	1	Office of Oil and Gas

The Office of Oil and Gas processes your personal information, such as name, address and phone number, as a part of our regulatory duties. Your personal information may be disclosed to other State agencies or third parties in the normal course of business or as needed to comply with statutory or regulatory requirements, including Freedom of Information Act requests. Our office will appropriately secure your personal information. If you have any questions about our use of your personal information, please contact DEP's Chief Privacy Officer at depprivacyofficer@wv.gov

WV Department of

WW-70 Rev. 7/01

Affidavit of Personal Service

State Of West Virginia	
County Of Wetzel	
The undersigned, being first duly sworn, says that the undersigned served a true an complete copy of all sides of	ıd
(1) Notice on Form $WW-2(A)X$ / $WW-3(A)X$ / $WW-4(A)X$ / $WW-5(A)X$ / $WW-6(A)X$ (2) Application on Form $WW-2(B)X$ / $WW-3(B)X$ / $WW-4(B)X$ / $WW-5(B)X$ / $WW-6(B)X$ (3) Plat showing the well location on Form $WW-6$, and (4) Construction and Reclamation Plan on Form $WW-9$	
all with respect to operator's Well No. D-188 located in Grant District, Wetzel County, West Virginia, upon the person or organization named	-
WV Department of Natural Resources - Stephen Rauch	
by delivering the same in Manion County, State of West Virginia on the 26 day of September , 20 13 in the manner specified below.	
[COMPLETE THE APPROPRIATE SECTION]	
For an individual: [x] Handing it to $\lim_{x \to \infty} x / \ln_x x / \ln$	ıen
[x] Handing it to a member of his or her family above the age of 16 years named who resides at the usual place of abode of the person to be served, and asking the family member to give it to the person to be served as soon as possible.	
For a partnership: [X] Handing it to, a partner of the partnership or, because the partner refused to take it when I handed it over, by leaving it in the present of the partner.	ıce
For a limited partnership: [X] Handing it to the general partner, named	Ĺt
For a corporation: [X] Handing it to the corporation's employee X / officer X / director X / attorney in fact_X / named Stoke Rouch (Signature of period executing service)	Y
Taken, subscribed and sworn before me this to day of November 2013. My commission expires Upril 4, 2015 Olu V. Cardwell Notary Public	

(AFFIX SEAL IF NOTARIZED OUTSIDE THE STATE)

		SURFACE OW	NEK WAIVER		
County	Wetzel	Opera	tor	Diversified Resources, In	c.
•		Opera	tor well num	ber D-188	
					_
	INSTRUCTIONS	S TO SURFACE OW	NERS NAME	D ON PAGE WW2-A	
If the surface tappeared on the the only over permits are value.	tract is owned by more that the Sheriff's tax ticket on the wner who will actually receiled for 24 months. If you do nediately if you know who it NOTE: YOU	in three persons, the e land or because yo eive t hese materials o not own any intere t is. Also, please not I ARE NOT REQUIR	en these mate u actually occ) S ee C hapt st in the surfairly the well op ED TO FILE A	om the State to do oil or gas a rials were served on you becupy the surface tract. In either 22 of the West Virginia Coce tract, please forward these erator and the Office of Oil arany COMMENT.	cause your name er case, you may dode. Well work e materials to the
Chief Office of	f Oil and Cas				
Chief, Office of Department of 601 57 th St. SE Charleston, W' (304) 926-0450	Environmental Protection V 25304				
		nments. The law red	uires these m	aterials to be served on or be	efore the date the
operator files he be filed in persente sure of the handling. If you the planned wow Common well operator's from the application of the control of the co	his Application. You have It is an or received in the mail is date. Check with your plus have been contacted by ork described in these materials must be in writing. In ame and well number an iteration. You may add other the proposed well work will do the proposed well work will do the soil erosion and sediment amage would occur to public proposed well work fails the proposed well wore the proposed well work fails the proposed well work fails the p	by the Chief's office toos tmaster to ensure the well operator and trials, then the permit Your comments must dive approximate lo documents, such as or condition a well we constitute a hazard to at control plan is not a cly owned lands or reto protect fresh water a substantial violated under Chapter 22,	after the filing by the time state a dequate of you have sign to may be issued ust include you cation of the pasketches, mayork permit base the safety of adequate or effectives or sources; or sources or sign of a previous and has failed	date to file your comments. ated above. You may call the elivery time or to ar range syned a "voluntary statement of at any time. For any time, address and telephoroposed well site including dos or photographs to support ed on comments on the followersons. fective;	Comments must e Chief's office to pecial expedited of no objection" to some number, the istrict and county your comments. Wing grounds:
	y from the Chief.				
to test your wa I heret Application for order on F orm	ter to establish water qualit VOLU y state that I have read the a Well Work Permit on For WW2-B, a s urvey plat, a	y prior to and after d JNTARY STATEME! e instructions to surf rm WW2-A, and atta	rilling. Contact NT OF NO OB ace owners are chments cons	water testing laboratories w t the Chief to obtain a copy. SJECTION nd that I have received copie sting of pages 1 through r proposed well work on my	s of a Notice and including a work
described there	•			:	abiaatiaa ta
	er state that I have no object issued on those materials.		vork described	I in these materials, and I have	e no objection to
a permit being	issued on those materials.				
FOR EXECUT	ION BY A NATURAL PERS	SON	FOR	EXECUTION BY A CORPO	RATION, ETC.
	····	Date	Company Name		
S	ignature		By _		Dete
			Its	RECEIVED	Date
			-	Office of Oil and G	as
Pr	rint Name		-		

WV Department of Environmental Protection

Date

Operator 5 Meli Nulliber Di	Operator's	Well	Number	D-18
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INFORMATION SUPPLIED UNDER WEST VIRGINIA CODE Chapter 22, Article 6, Section 8(d) IN LIEU OF FILING LEASE(S) AND OTHER CONTINUING CONTRACT(S)

Under the oath required to make the verification on page 1 of this Notice and Application, I depose and say that I am the person who signed the Notice and Application for the Applicant, and that –

- (1) the tract of land is the same tract described in this Application, partly or wholly depicted in the accompanying plat, and described in the Construction and Reclamation Plan;
- (2) the parties and recordation data (if recorded) for lease(s) or other continuing contract(s) by which the Applicant claims the right to extract, produce or market the oil or gas are as follows:

Grantor, Lessor, etc.	Grantee, Lessee, etc.	Royalty	Book/Page
Bay Oil Co. LLC and Lynrow Assoc., LLC	Trans Energy, Inc.	12.5	86A/597
Trans Energy, Inc.	Diversified Resources, Inc.	12.5	138A/770

Acknowledgement of Possible Permitting/Approval In Addition to the Office of Oil and Gas

The per mit applicant for the proposed well work addressed in this application he reby a cknowledges the possibility of the need for permits and/or approvals from local, state, or federal entities in addition to the DEP, Office of Oil and Gas, including but not limited to the following:

- WV Division of Water and Waste Management
- WV Division of Natural Resources
- WV Division of Highways
- U.S. Army Corps of Engineers
- · U.S. Fish and Wildlife Service
- County Floodplain Coordinator

The applicant further acknowledges that any Office of Oil and Gas permit in no way overrides, replaces, or nullifies the need for other permits/approvals that may be necessary and further affirms that all needed permits/approvals should be ac quired from the appropriate aut hority before the affected activity is initiated.

Well Operator: By:Its:

President

Diversified Resources Inc.

Office of Oil and Gas

OCT 11 2013

WV Department of Environmental Protection

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-188	
)	D-188

West Virginia Department of Environmental Protection Office of Oil and Gas

NOTICE TO SURFACE OWNERS

The well operator named below is preparing to file for a permit from the state to drill a new well. Before a well work permit can be filed with the Chief of the Office of Oil and Gas, the well operator is required to have given notice of the right to request water well or spring analytical testing. This notice shall be given to the owners or occupants of land which have a water well or spring being utilized for human consumption, domestic animals, or other general use and which is located within 1000 feet of the proposed well site.

With this form, the operator is giving you notice of your right to request analytical testing. The operator is required to sample and analyze the water wells or springs of all owners or occupants who request it. Therefore, if you wish to have your water well or spring tested, contact the operator named below.

All sampling shall be completed prior to drilling. Within thirty (30) days of the receipt of such sample analyses the operator shall submit the results to the Chief of the Office of Oil and Gas and to the owners or occupants who may have requested them.

Be advised, you have the right to sample and analyze any water supply at your own expense.

Listed below is the laboratory chosen by operator to perform analysis, and contactor chosen to collect sample.

Certified Labora Sampling Contr		Sturm Environmental
Well Operator	Diversified Res	ources, Inc.
Address	POBox 381087	
	Birmingham, Al	. 35238
Telephone	205-408-0909	

FOR OPERATOR'S USE ONLY: Below, or on an attached page, list those persons which were given this notice. Place an asterisk beside the one(s) that contacted you and requested sampling and analyses. If there were no requests made, indicate by underling which one you have selected to sample and analyze. If there are no water wells or springs within 1000 feet of the proposed site, the Chief may require the operator to test wells up to 2000 feet from the proposed site.

SEE MITTACHMENT

ATTACHMEN

LAND SURVEYING SERVICES

Stephen D. Losh, PS J. Michael Evans, PS 21 Cedar Lane Bridgeport, WV 26330 Phone & Fax (304) 842-2018 or 842-5762 sdlosh@frontier.com

August 01, 2013

Diversified Resources, Inc. P.O. Box 381087 Birmingham, AL 35238-1087

WATER WELL REPORT

Project: D-188 District: Grant County: Wetzel State: WV

The following people may have water supplies within 2,000 feet of the above location:

George Shreve Estate

HC 61, Box 56

Knob Fork, WV 26579

10-3-13

RECEIVED Office of Oil and Gas OCT 11 2013

WV Department of Environmental Protection WW-9 (5/13)

1	Page of
API Number 47 - 103	
Operator's Well No	D-188

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

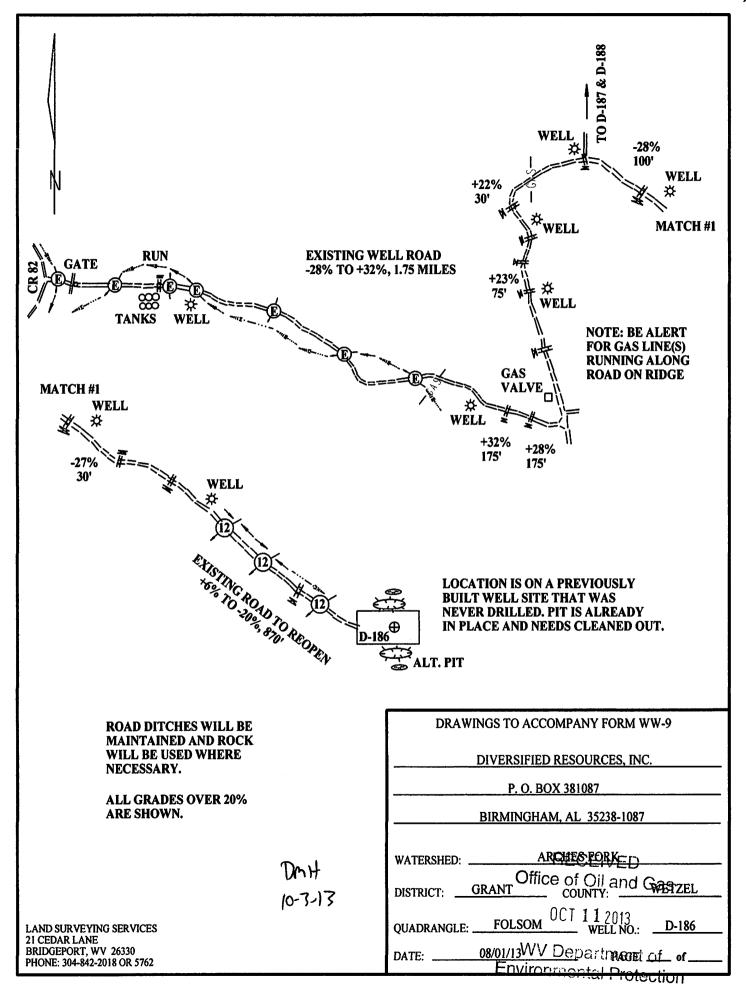
FLUIDS/ CUTTINGS DISPOSAL & RECLAMATION PLAN

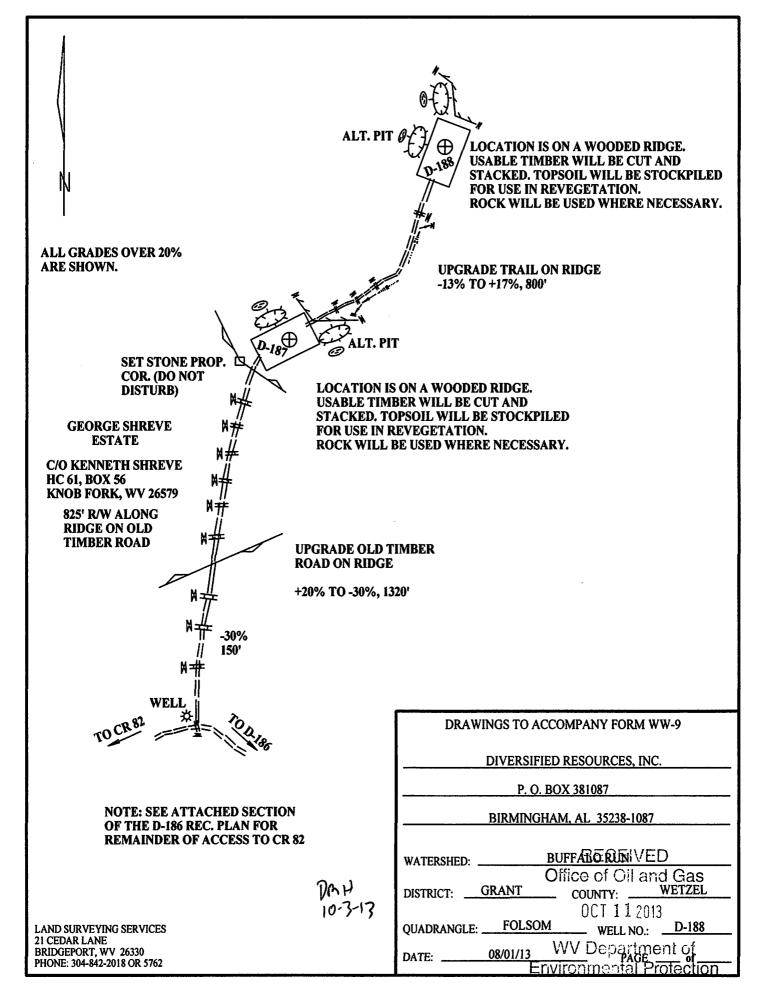
Operator NameDIVERSIFIED RESOURCES, INC		OP Code
Watershed (HUC 10) BUFFALO RUN	Quadrangle	FOLSOM
Elevation 1477.87' Co	unty_WETZEL	DistrictGRANT
Do you anticipate using more than 5,000 bbls of Will a pit be used for drill cuttings? Yes	No	well work? Yes No _X
Will a synthetic liner be used in the pi		
Proposed Disposal Method For Treate		Da H
Land Application Underground Injecti Reuse (at API Num Off Site Disposal (S	ion (UIC Permit Numberber ber Supply form WW-9 for disposal lo	cation)
Will closed loop system be used?		
Drilling medium anticipated for this well? Air	, freshwater, oil based, etc	
-If oil based, what type? Synthetic, po	etroleum, etc	
Additives to be used in drilling medium?		
Drill cuttings disposal method? Leave in pit, la		
		me, sawdust) Link
-Landfill or offsite name/permit numb	per?	
on August 1, 2005, by the Office of Oil and Ga provisions of the permit are enforceable by la law or regulation can lead to enforcement action. I certify under penalty of law that I application form and all attachments thereto	as of the West Virginia Department w. Violations of any term or content. have personally examined and a plant that, based on my inquiry information is true, accurate, and	GENERAL WATER POLLUTION PERMIT issued to fenvironmental Protection. I understand that the dition of the general permit and/or other applicable m familiar with the information submitted on this of those individuals immediately responsible for d complete. I am aware that there are significant prisonment.
Company Official Signature		
Company Official (Typed Name)	ert OR. Hutsonir	RECEIVED Office of Oil and Gas
Company Official Title Prosiden	<u> </u>	Office of Oil and Gas
		OCT 1,1 2013
Subscribed and sworn before me this Royal Alexander of the Alexander of th	day of Sugust	20 13 Department of
Junus you	Julian	Notary Public ronmental Protection
My commission expires		

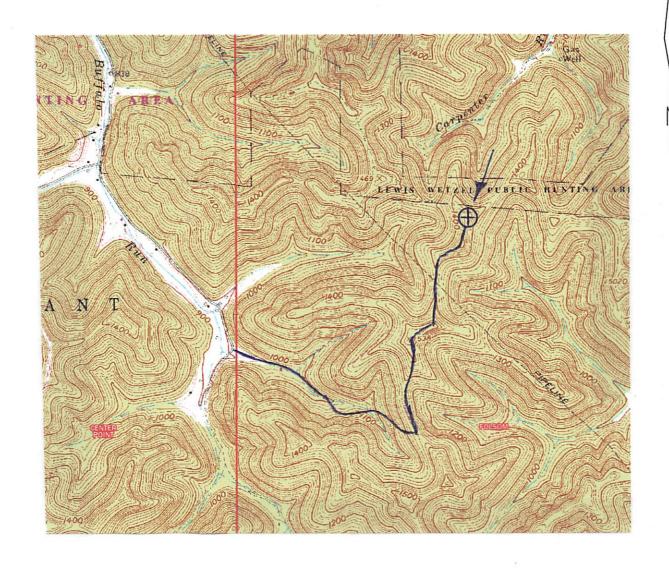
Form WW-9	Operator's Well No. D-188	
DIVERSIFIED RESOURCES, INC.		
Mulch Hay or Straw 2 Tons/ac	facre (500 lbs minimum)	
Area I	Area II	
Seed Type lbs/acre ORCHARDGRASS 25	Seed Type Ibs/acre ORCHARDGRASS 25	
BIRDSFOOT TREFOIL 15	BIRDSFOOT TREFOIL 15	_
LADINO CLOVER 10	LADINO CLOVER 10	_
Photocopied section of involved 7.5' topographic sheet. Plan Approved by: Comments: Present and Mulch 511	disturbed areas.	
		- -
		- -
Title: Dil + Ger Taspectur	Date: /0-3-17	_
Field Reviewed? Yes	_) № RECEIVED Office of Oil and (Gas

OCT 112013

WV Department of Environmental Protection







10-3-13 DWH

LAND SURVEYING SERVICES 21 CEDAR LANE BRIDGEPORT, WV 26330 PHONE: 304-842-2018 OR 5762

DRAWINGS TO ACCOMPANY FORM WW-9	
	DIVERSIFIED RESOURCES, INC.
	P. O. BOX 381087
	BIRMINGHAM, AL 35238-1087
WATERSHED:	BUFFALORUN
DISTRICT:	GRANT Office of Oil arwerzes
QUADRANGLE: FOLSOM OCT 1 1 2013 D-188	
DATE:	08/01/13 WV Depragment of

